



The UPS Store

The UPS Store #2950
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July 30, 2012

Postal Regulatory Commission
901 New York Ave NW, Suite 200
Washington, DC 20268

Reference: PRC Docket # MC2012-26

Dear Commissioners,

I own three The UPS Store franchises in the Orange County, California area. Store #0247 in Costa Mesa, Store #2075 in Orange, and Store #2950 in Aliso Viejo. The new enhanced business services now being provided by United States Postal Service (USPS) are in direct and unfair competition with me and thousands of other small businesses across the country. Specifically:

1. The new ability to receive packages from private or third-party carriers such as UPS, FedEx, DHL and other non-USPS carriers,
2. The new ability of the USPS Post Office Box customers to use a street address for Post Office Box addressing, no longer requiring the use of the "PO Box" designation,
3. The new ability of the USPS to provide email notification of package delivery
4. The new ability of the USPS Post Office Box customers to use "#" instead of the "PO Box" designation in their address.

Fair competition requires the same rules and conditions be applied to all businesses that participate in this market. However, these new competitive actions taken by the United States Postal Service does harm to the ability of some to compete and prosper. The gains which the United States Postal Services are seeking are conditional on the losses of others through unfair competition and are simply unjust. Furthermore, I believe a case could be made that the United States Postal Service is in violation of antitrust laws by engaging in anti-competitive behavior. Specifically:

1. As a Commercial Mail Receiving Agent (CMRA), I am regulated and inspected by the USPS. There is no other enterprise in our society where one competitor can regulate another.
2. On a quarterly basis, I am required to provide the USPS a list of my customers. I know of no other industry where one business must turn over its customer list to a competitor.

3. A USPS Post Office Box customer can file a "Change of Address" form while a CMRA customer is prohibited from filing a "Change of Address" form.
4. The inability for CMRA customers to get the same free forwarding service offered to USPS Post Office Box customers. All CMRAs are forced to purchase the postage necessary to forward mail to departed customers.
5. Unlike the USPS, CMRAs are required to handle the mail for departed or cancelled customers for six months.

These new enhanced business services allow the USPS to offer an identical service, plus services currently denied to CMRAs and their customers. This provides an unfair competitive advantage for the USPS.

For most store owners like me, our businesses are privately owned and represent the sole source of our income. In many cases, we have financed the purchase of the business with loans secured by our homes, money borrowed from family and friends, or money removed from retirement accounts. This new form of competition from the USPS will result in a significant loss of revenue for me and it will damage my businesses. That will threaten not only my home, but also the jobs of the fifteen people I employ at my three locations. Unlike most small business owners, I offer these fifteen people full health insurance benefits, and unlike most small business owners, I pay for the first \$100 of health insurance for my employees.

As noted in PRC Order No. 1366, "the Postal Service has not submitted an appropriate filing that describes the nature and implementation of these rules for these enhanced services." The USPS failed to follow the requirements in rolling out these new services and made a unilateral decision, executing that decision without the necessary filings. A financially viable Post Office is an important part of my businesses and an important part of commerce in the United States and abroad, but not at the expense of my businesses, other small businesses and in violation of fair competition. I cannot sit by and watch the USPS launch a series of products and services specifically designed to take my customers, by offering services in which they specifically regulate and prevent me from offering.

Thank you for your time and kind attention to this matter. Please do not hesitate to contact me if you wish to discuss this matter further, or if you have any questions or concerns.

Sincerely,



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